

**15TH JUDICIAL DISTRICT
INDIGENT DEFENDER FUND**

FINANCIAL REPORT

June 30, 2010

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 2/9/11

TABLE OF CONTENTS

	Page
INDEPENDENT AUDITOR'S REPORT	1-2
FINANCIAL STATEMENTS:	
Statement of net assets and governmental fund balance sheet	4
Statement of activities and governmental fund revenues, expenditures, and changes in fund balance	5
Notes to basic financial statements	6-13
REQUIRED SUPPLEMENTARY INFORMATION:	
Budgetary Comparison Schedule	15
INTERNAL CONTROL, COMPLIANCE AND OTHER MATTERS:	
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <u>Governmental Auditing Standards</u>	17-18
Summary schedule of current and prior year audit findings and corrective action plan	19

KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

C. Burton Kolder, CPA*
Russell F. Champagne, CPA*
Victor R. Slaven, CPA*
P. Troy Courville, CPA*
Gerald A. Thibodeaux, Jr., CPA*
Robert S. Carter, CPA*
Arthur R. Nixon, CPA*

Tynes E. Nixon, Jr., CPA
Allen J. LaBry, CPA
Albert R. Leger, CPA, PFS, CSA*
Penny Angelle Scruggins, CPA
Christine L. Cousin, CPA
Mary T. Thibodeaux, CPA
Marshall W. Guidry, CPA
Alan M. Taylor, CPA
James R. Roy, CPA
Robert J. Metz, CPA
Kelly M. Doucet, CPA
Cheryl L. Bartley, CPA
Mandy B. Self, CPA
Paul L. Delcambre, Jr., CPA
Wanda F. Arcement, CPA, CVA
Kristin B. Dautal, CPA
Richard R. Anderson Sr., CPA
Carolyn C. Anderson, CPA

Retired:
Conrad O. Chapman, CPA* 2006
Harry J. Closio, CPA 2007

* A Professional Accounting Corporation

OFFICES

183 South Beadle Rd.
Lafayette, LA 70508
Phone (337) 232-4141
Fax (337) 232-8660

450 East Main Street
New Iberia, LA 70560
Phone (337) 367-8204
Fax (337) 367-8208

113 East Bridge St.
Breaux Bridge, LA 70517
Phone (337) 332-4020
Fax (337) 332-2867

200 South Main Street
Abbeville, LA 70510
Phone (337) 893-7944
Fax (337) 893-7946

1234 David Dr. Ste 203
Morgan City, LA 70380
Phone (985) 384-2020
Fax (985) 384-3020

1013 Main Street
Franklin, LA 70538
Phone (337) 828-0272
Fax (337) 828-0290

408 West Cotton Street
Ville Platte, LA 70586
Phone (337) 363-2792
Fax (337) 363-3049

133 East Waddell St.
Marksville, LA 71351
Phone (318) 253-9252
Fax (318) 253-8681

332 West Sixth Avenue
Oberlin, LA 70655
Phone (337) 639-4737
Fax (337) 639-4568

621 Main Street
Pineville, LA 71360
Phone (318) 442-4421
Fax (318) 442-9833

WEB SITE
WWW.KCSRCPAS.COM

INDEPENDENT AUDITOR'S REPORT

To the District Public Defender of
The Fifteenth Judicial District
Indigent Defender Fund

We have audited the accompanying financial statements of the governmental activities and the general fund of the Fifteenth Judicial District Indigent Defender Fund, a component unit of the Lafayette City/Parish Consolidated Government, as of and for the eighteen months ended June 30, 2010 which collectively comprises the entity's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Fifteenth Judicial District Indigent Defender Fund's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activity, and the general fund of the Fifteenth Judicial District Indigent Defender Fund, as of the eighteen months ended June 30 2010, and the respective changes in financial position, for the eighteen months then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated December 28, 2010 on our consideration of the Fifteenth Judicial District Indigent Defender Fund's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and important for assessing the results of our audit.

The general fund budgetary comparison schedule on page 15 is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

The Fifteenth Judicial District Indigent Defender Fund has not presented management's discussion and analysis that the Governmental Accounting Standards Board has determined is necessary to supplement, although not required to be part of, the basic financial statements.

Kolder, Champagne, Slaven & Company, LLC
Certified Public Accountants

Lafayette, Louisiana
December 28, 2010

BASIC FINANCIAL STATEMENTS

FIFTEENTH JUDICIAL DISTRICT INDIGENT DEFENDER FUND
STATEMENT OF NET ASSETS AND
GOVERNMENTAL FUND BALANCE SHEET
June 30, 2010

	General Fund	Adjust- ments	Statement of Net Assets
ASSETS			
Cash	\$ 878,559	\$ -	\$ 878,559
Investments	760,474	-	760,474
Due from other governments -			
Court costs and bond forfeits receivable	154,181	-	154,181
Other receivables	14,442	-	14,442.00
Prepayments	4,525	-	4,525
Other assets	795	-	795
Equipment	-	86,505	86,505
Accumulated depreciation	-	(47,175)	(47,175)
Total assets	<u>\$1,812,976</u>	<u>\$ 39,330</u>	<u>\$ 1,852,306</u>
LIABILITIES			
Accounts payable	\$ 11,266	\$ -	\$ 11,266
Payroll taxes payable	890	-	890
Total liabilities	<u>12,156</u>	<u>-</u>	<u>12,156</u>
FUND BALANCES/NET ASSETS			
Fund balance			
Reserved for prepaid items	4,525	(4,525)	-
Unreserved	1,796,295	(1,796,295)	-
Total fund balance	<u>1,800,820</u>	<u>(1,800,820)</u>	<u>-</u>
Total liabilities and fund balances	<u>\$1,812,976</u>		
Net assets			
Invested in capital assets, net of related debt		\$ 39,330	\$ 39,330
Unrestricted		1,800,820	1,800,820
Total net assets		<u>\$ 1,840,150</u>	<u>\$ 1,840,150</u>

Reconciliation of the General Fund Balance Sheet to the Statement of Net assets-
Capital assets and related accumulated depreciation are not current financial resources and therefore are not reported in the General fund balance sheet. Capital assets, net of accumulated depreciation must be added to General Fund total fund balance to arrive at total net assets.

See notes to basic financial statements.

FIFTEENTH JUDICIAL DISTRICT INDIGENT DEFENDER FUND
STATEMENT OF ACTIVITIES AND
GOVERNMENTAL FUND REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
Eighteen Months Ended June 30, 2010

	<u>General Fund</u>	<u>Adjust- ments</u>	<u>Statement of Activities</u>
EXPENDITURES/EXPENSES			
Indigent defense -			
Operations	\$4,522,051	\$ 12,392	\$4,534,443
Capital outlays	6,802	(6,802)	-
Loss on sale of assets	-	367	367
Total expenditures/expenses	<u>4,528,853</u>	<u>5,957</u>	<u>4,534,810</u>
PROGRAM REVENUES			
Charges for services -			
Partially indigent and application fees	654,433	-	654,433
Court costs and bond forfeitures	2,728,625	-	2,728,625
Total program revenues	<u>3,383,058</u>	<u>-</u>	<u>3,383,058</u>
Net program revenue (expense)			<u>(1,151,752)</u>
GENERAL REVENUES			
Intergovernmental revenues -			
District Assistance Fund - Louisiana IDAB	1,449,466	-	1,449,466
Miscellaneous -			
Interest	4,824	-	4,824
Total general revenues	<u>1,454,290</u>	<u>-</u>	<u>1,454,290</u>
Excess (deficiency) of revenues over expenditures	308,495	(308,495)	-
Change in net assets	-	302,538	302,538
Fund balance/net assets -			
Beginning of year	1,492,325	45,287	1,537,612
End of year	<u>\$1,800,820</u>	<u>\$ 39,330</u>	<u>\$1,840,150</u>

**Reconciliation of General Fund Statement of Revenues, Expenditures, and Changes in
Fund Balance to the Statement of Activities -**

Depreciation expense is not reported in the General Fund because it does not require the use of current financial resources. General fund capital outlays of \$6,802 are reported as expenditures but are capitalized and depreciated over their useful lives in the government-wide statement of activities.

See notes to basic financial statements.

**FIFTEENTH JUDICIAL DISTRICT
INDIGENT DEFENDER FUND
NOTES TO THE BASIC FINANCIAL STATEMENTS**

Note 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Fifteenth Judicial District Indigent Defender Fund (Fund) provides criminal defense to indigent persons in Louisiana's 15th judicial district (Acadia, Lafayette and Vermilion Parishes). The function is accomplished by maintaining an administrative staff and contracting for legal and other defense experts.

House Bill No. 436, Act No. 307 of the 2007 regular legislative session enacted the Louisiana Public Defender Act, effective August 15, 2007, creating the Louisiana Public Defender Board with oversight responsibilities of service regions and individual district indigent defender funds. Service regions are created to help provide supervision over district offices. The Louisiana Public Defender board has the power to provide for the powers and duties of district public defenders and for the filling of vacancies.

The Fund's financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant accounting policies established in GAAP and used by the Fund are discussed below.

A. REPORTING ENTITY

Indigent defender funds, criminal court funds, and judicial expense funds are part of the operations of the district court system. The district court system is fiscally dependent on the primary government for office space and courtrooms. The substance of the relationship between the district court system and the primary government is that the primary government has approval authority over its capital budget.

In addition, the nature and significance of the relationship between the district court and the primary government is such that exclusion from the primary government's financial statements would render the financial statements incomplete or misleading. For these reasons, indigent defender funds are considered component units of the primary government. The Fifteenth Judicial District Indigent Defender Fund is comprised of the parishes of Acadia, Lafayette and Vermilion. It was determined to be a component unit of the Lafayette City/Parish Consolidated Government based on revenues received from and support provided by each parish's court systems.

**FIFTEENTH JUDICIAL DISTRICT
INDIGENT DEFENDER FUND
NOTES TO THE BASIC FINANCIAL STATEMENTS**

The accompanying financial statements present information only on the funds maintained by the Fifteenth Judicial District Indigent Defender Fund.

B. BASIC FINANCIAL STATEMENTS—GOVERNMENT-WIDE STATEMENTS

The Fund's basic financial statements include the general fund, its only fund. The indigent defense activity of the Fund is classified as a governmental activity. The Statement of Net Assets, is reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. Net assets are reported in three parts (as applicable)—invested in capital assets, net of related debt; restricted net assets; and unrestricted net assets.

The Statement of Activities reports both the gross and net cost of the Fund's indigent defense function. The function is also supported by general government revenues (grants, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the indigent defense function. Operating grants include operating-specific and discretionary (either operating or capital) grants while capital grants reflect capital-specific grants.

The Fund's net costs are normally covered by general revenue (grants, etc.).

This government-wide focus is more on the sustainability of the Fund as an entity and the change in the Fund's net assets resulting from the current year's activities.

C. BASIC FINANCIAL STATEMENTS—FUND FINANCIAL STATEMENTS

The financial transactions of the Fund are reported in the fund financial statements of its sole fund, the General fund. It is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenues and expenditures.

**FIFTEENTH JUDICIAL DISTRICT
INDIGENT DEFENDER FUND
NOTES TO THE BASIC FINANCIAL STATEMENTS**

D. BASIS OF ACCOUNTING

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

Accrual

The government-wide financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

Modified Accrual

The governmental fund financial statement (the general fund) is presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or within 60 days after year end. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term debt, if any, is recognized when due.

E. MEASUREMENT FOCUS

Measurement focus is a term used to describe which transactions are recorded within the various financial statements. The government-wide statement of net assets and the statement of activities are presented using the "economic resources" measurement focus as defined below. In the fund financial statements, the "current financial resources" measurement focus is used.

In applying the "current financial resources" measurement focus, only current financial assets and liabilities are generally included in the balance sheet. The operating statement presents sources and uses of available spendable financial resources during a given period. Fund balance is the measure of available spendable financial resources at the end of the period.

Under the "economic resources" measurement focus, the accounting objectives are the determination of operating income, changes in net assets (or cost recovery), financial position and cash flows. All assets and liabilities (whether current or noncurrent) associated with an activity are reported. Fund equity is classified as net assets.

**FIFTEENTH JUDICIAL DISTRICT
INDIGENT DEFENDER FUND
NOTES TO THE BASIC FINANCIAL STATEMENTS**

F. BUDGET

The Fund follows these procedures in establishing the annual budget:

- The district public defender prepares a proposed budget and submits it to the Louisiana Public Defenders Board and a public hearing must take place before the budget can be adopted.
- Budgetary amendments involving an increase in attorney retainers, salaries, capital expenditures, or an increase in total expenditures require public advertisement before the amendment is adopted.
- All budgetary appropriations lapse at the end of each fiscal year.

The General Fund budget is adopted on the modified accrual basis of accounting.

G. FINANCIAL STATEMENT AMOUNTS

1. Cash and Cash Equivalents

The Fund has defined cash and cash equivalents to include cash on hand and demand deposits.

2. Court Costs and Bond Forfeitures Receivable

This is the aggregate amount due from the various courts and district attorney offices of the Fifteenth Judicial District for court costs collected and bonds forfeited in 2010 and not remitted as of June 30.

3. Prepaid Items

Prepaid balances are for payments made by the Fund in the current year to provide services occurring in the subsequent fiscal year, and the reserve for prepaid items has been recorded to signify that a portion of fund balance is not available for other subsequent expenditures.

**FIFTEENTH JUDICIAL DISTRICT
INDIGENT DEFENDER FUND
NOTES TO THE BASIC FINANCIAL STATEMENTS**

4. Capital Assets

Capital assets consist of office furniture and equipment. Capital assets purchased or acquired with an original cost of \$1,000 or more are reported at historical cost. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over estimated useful lives of three to ten years. Acquisitions totaled \$6,802. Beginning and ending cost of capital assets was \$87,013 and \$86,505 respectively. Beginning and ending accumulated depreciation totaled \$41,726 and \$47,175 respectively. Depreciation expense for the eighteen months ended June 30, 2010 was \$12,392.

5. Revenues

Substantially all governmental fund revenues are accrued. In applying GASBS No. 33 to grant revenues, the provider recognizes liabilities and expenses and the recipient recognizes receivables and revenue when the applicable eligibility requirements, including time requirements, are met. Resources transmitted before the eligibility requirements are met are reported as advances by the provider and deferred revenue by the recipient.

Persons availing themselves of the Fund's services are assessed partially indigent fees starting at \$150 based on their income. The fees do not become a judgment until the defendant pleads or goes to trial which is typically months after the initial assessment. The fees are normally paid in installments at unpredictable intervals, and many are never paid. For these reasons, partially indigent fees are only recognized as revenue when collected.

6. Expenditures

Expenditures are recognized when the related fund liability is incurred.

H. ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

**FIFTEENTH JUDICIAL DISTRICT
INDIGENT DEFENDER FUND
NOTES TO THE BASIC FINANCIAL STATEMENTS**

Note 2. BANK DEPOSITS AND INVESTMENTS

Under state law, the Fund may deposit funds with a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the union, or the laws of the United States. At June 30, 2010, the Fund had cash deposits (book balances) totaling \$878,559.

Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, the Fifteenth Judicial District Indigent Defender Fund's deposits may not be recovered or will not be able to recover collateral securities that are in the possession of an outside party. Deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must, at all times equal the amount on deposit with the fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. At June 30, 2010, bank balances of deposits totaling \$903,671 were insured by the FDIC.

The Fund has not formally adopted a deposit and investment policy. Also the Fund has no formal policies addressing credit risk, custodial credit risk, concentration of credit risk, or interest rate risk.

Under state law (R.S. 33:2955), the Fund may invest in any of the following obligations:

- a. direct U.S. Treasury obligations, the principal and interest of which are fully guaranteed by the U.S. government.
- b. U.S. government agency obligations, the principal and interest of which are fully guaranteed by the government of the U.S.
- c. direct security repurchase agreements of federal securities listed at a. and b. above.
- d. time certificates of deposit of state and national banks, savings and loans, and credit unions.
- e. mutual or trust funds registered with the Securities and Exchange Commission under the Securities Act of 1933 and the Investment Act of 1940, and which have underlying investments consisting solely of securities of the U.S. government or its agencies.

**FIFTEENTH JUDICIAL DISTRICT
INDIGENT DEFENDER FUND
NOTES TO THE BASIC FINANCIAL STATEMENTS**

State law should be consulted for various requirements and limitations relative to investments of Louisiana political subdivisions. Investments consist of three U.S. Treasury bills with an original total cost of \$760,455 and maturities of 29 to 72 days. The U.S. Treasury bills are stated at fair value. As of June 30, 2010 the fair value of the U.S. Treasury bills were \$760,474. The investments are held by Smith Barney in street name.

Note 3. COMMITMENTS

The Fund rents office facilities under a noncancellable lease. The monthly rent is \$1,315 through November, 2010. The lease has no escalation clauses. Additional office and parking space are rented under cancellable leases at a monthly rental of \$500. Rent expense for the eighteen months ended June 30, 2010 totaled \$32,726.

Note 4. COMPENSATED ABSENCES

No accrual has been made for vacation or sick pay because unused vacation and sick days are not available to be carried forward and are not subject to extra pay if unused.

Note 5. RISK MANAGEMENT

The Fund is exposed to risks of loss in the areas of general liability, malpractice, property hazards and workers' compensation. General liability, property hazards and workers' compensation risks are handled through the purchase of commercial insurance. There were no significant reductions in insurance coverage during the eighteen months ended June 30, 2010 and settlements have not exceeded insurance coverage in any of the past three years. The Fund is unaware of any outstanding claims or losses as of June 30, 2010. There were no outstanding claims as of December 31, 2008, and no claims were paid during the eighteen months ended June 30, 2010.

**FIFTEENTH JUDICIAL DISTRICT
INDIGENT DEFENDER FUND
NOTES TO THE BASIC FINANCIAL STATEMENTS**

Note 6. GOVERNMENTAL FUND REVENUES AND EXPENDITURES

For the eighteen months ended June 30, 2010, the major sources of governmental fund revenues and expenditures were as follows:

State Government	
Grants	\$1,449,466
Local Government	
Statutory fines, forfeitures, fees, court costs, and other	2,728,625
Charges for Services	654,433
Investment earnings	<u>4,824</u>
Total Revenues	<u><u>\$4,837,348</u></u>
Expenditures:	
Personnel Services and Benefits	
Salaries	\$ 436,865
Insurance	36,047
Payroll taxes	33,377
Other	16,600
Total	<u>522,889</u>
Professional Development	
Dues, licenses, and registrations	<u>5,844</u>
Total	<u>5,844</u>
Operating Costs	
Library and research	3,744
Contract services - attorney/legal	3,801,633
Contract services - other	77,090
Lease - office	23,670
Lease - autos and other	9,056
Travel - transportation	825
Insurance	15,556
Supplies	31,705
Repairs and maintenance	9,772
Utilities and telephone	17,274
Other	2,993
Total	<u>3,993,318</u>
Capital outlay	<u>6,802</u>
Total Expenditures	<u><u>\$4,528,853</u></u>

REQUIRED SUPPLEMENTARY INFORMATION

FIFTEENTH JUDICIAL DISTRICT INDIGENT DEFENDER FUND
General Fund
Budgetary Comparison Schedule (Modified Accrual Basis)
Eighteen Months Ended June 30, 2010

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues				
Charges for services				
Court costs and bond forfeitures	\$ 3,218,800	\$ 2,653,000	\$ 2,728,625	\$ 75,625
Partially indigent and application fees	760,500	641,000	654,433	13,433
Intergovernmental revenues				
District Assistance Fund - Louisiana IDA	1,422,595	1,449,000	1,449,466	466
Miscellaneous				
Interest	33,000	4,800	4,824	24
Total revenues	<u>5,434,895</u>	<u>4,747,800</u>	<u>4,837,348</u>	<u>89,548</u>
Expenditures				
Current - indigent defense				
Salaries, retainers and related benefits	5,787,380	4,357,150	4,340,395	16,755
Professional services	241,000	86,350	72,177	14,173
Office and administrative	169,250	112,410	109,479	2,931
Capital outlays - equipment	23,000	8,000	6,802	1,198
Total expenditures	<u>6,220,630</u>	<u>4,563,910</u>	<u>4,528,853</u>	<u>35,057</u>
Excess (deficiency) of revenues over expenditures	(785,735)	183,890	308,495	124,605
Fund balance, beginning	<u>1,492,325</u>	<u>1,492,325</u>	<u>1,492,325</u>	<u>-</u>
Fund balance, ending	<u><u>\$ 706,590</u></u>	<u><u>\$ 1,676,215</u></u>	<u><u>\$ 1,800,820</u></u>	<u><u>\$ 124,605</u></u>

COMPLIANCE AND INTERNAL CONTROL

KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

C. Burton Kolder, CPA*
Russell F. Champagne, CPA*
Victor R. Slaven, CPA*
P. Troy Courville, CPA*
Gerald A. Thibodeaux, Jr., CPA*
Robert S. Carter, CPA*
Arthur R. Nixon, CPA*

Tynes E. Nixon, Jr., CPA
Allen J. LaBry, CPA
Albert R. Leger, CPA, PFS, CSA*
Penny Angelle Scruggins, CPA
Christine L. Cousin, CPA
Mary T. Thibodeaux, CPA
Marshall W. Guidry, CPA
Alan M. Taylor, CPA
James R. Roy, CPA
Robert J. Metz, CPA
Kelly M. Doucet, CPA
Cheryl L. Bartley, CPA
Mandy B. Self, CPA
Paul L. Delcambre, Jr., CPA
Wanda F. Arcement, CPA, CVA
Kristin B. Dauzat, CPA
Richard R. Anderson Sr., CPA
Carolyn C. Anderson, CPA

Retired:
Conrad O. Chapman, CPA* 2006
Harry J. Clossio, CPA 2007

* A Professional Accounting Corporation

OFFICES

183 South Beadle Rd.
Lafayette, LA 70508
Phone (337) 232-4141
Fax (337) 232-8660

450 East Main Street
New Iberia, LA 70560
Phone (337) 367-9204
Fax (337) 367-9208

113 East Bridge St.
Breaux Bridge, LA 70517
Phone (337) 332-4020
Fax (337) 332-2867

200 South Main Street
Abbeville, LA 70510
Phone (337) 893-7944
Fax (337) 893-7946

1234 David Dr. Ste 203
Morgan City, LA 70380
Phone (985) 384-2020
Fax (985) 384-3020

1013 Main Street
Franklin, LA 70538
Phone (337) 828-0272
Fax (337) 828-0290

408 West Cotton Street
Ville Platte, LA 70586
Phone (337) 353-2792
Fax (337) 363-3049

133 East Waddell St.
Marksville, LA 71351
Phone (318) 253-9252
Fax (318) 253-8881

332 West Sixth Avenue
Oberlin, LA 70655
Phone (337) 639-4737
Fax (337) 639-4568

621 Main Street
Pineville, LA 71360
Phone (318) 442-4421
Fax (318) 442-9833

WEB SITE
WWW.KCSRCPAS.COM

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the District Public Defender of
The Fifteenth Judicial District
Indigent Defender Fund

We have audited the financial statements of the governmental activity and the general fund of the Fifteenth Judicial District Indigent Defender Fund (Fund), a component unit of the Lafayette City/Parish Consolidated Government, as of and for the eighteen months ended June 30, 2010, which collectively comprise the Fund's basic financial statements and have issued our report thereon dated December 28, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Fund's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Fund's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses, and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as described in the accompanying summary schedule of current and prior year audit findings and management's corrective action plan, we identified a certain deficiency in internal control over financial reporting that we consider to be a material weakness.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiency described in the accompanying summary schedule of current and prior year audit findings and management's corrective action plan as item 06-0(IC) to be a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Fifteenth Judicial District Indigent Defender Fund's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

The Indigent Defender Fund's response to the finding identified in our audit are described in the accompanying schedule of current and prior year audit findings and management's corrective action plan. We did not audit Indigent Defender Fund's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the Fifteenth Judicial District Indigent Defender Fund's management, the Lafayette City/Parish Consolidated Government, grantor agencies and the Louisiana Legislative Auditor and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Kolder, Champagne, Slaven & Company, LLC
Certified Public Accountants

Lafayette, Louisiana
December 28, 2010

FIFTEENTH JUDICIAL DISTRICT INDIGENT DEFENDER FUND
Lafayette, Louisiana

Summary Schedule of Current and Prior Year Audit Findings
and Corrective Action Plan
June 30, 2010

Ref. No.	Fiscal Year Finding Initially Occurred	Description of Finding	Corrective Action Taken	Corrective Action Planned	Name of Contact Person	Anticipated Date Of Completion
CURRENT YEAR (6/30/10) --						
<u>Internal Control:</u>						
06-1(IC)	Unknown	Due to the small number of employees, the Entity did not have adequate segregation of functions within the accounting system.	N/A	Management has determined that it is not cost effective to achieve complete segregation of duties within the accounting department. No action is considered necessary.	Chris St. Julien, Administrator	N/A
PRIOR YEAR (12/31/08) --						
06-1(IC)	Unknown	Due to the small number of employees, the Entity did not have adequate segregation of functions within the accounting system.	N/A	Management has determined that it is not cost effective to achieve complete segregation of duties within the accounting department. No action is considered necessary.	Chris St. Julien, Administrator	N/A